

**\*OGC Has Reviewed\***

20 August 1956

**MEMORANDUM FOR: Acting Director**

**SUBJECT: Senior Executive Pay Scales**

1. This memorandum is for information only. I received a call today from Bob Smart, Chief Counsel, House Committee on Armed Services, who has been our main contact with that Committee on routine matters. He had a copy of the Director's letter, presumably the one addressed to Mr. Vinson, on the proposal to establish Senior Executive Pay Scales. Mr. Smart noted that it cited for authority Public Law 110 and wished to know specifically what provision in that law authorized such salaries. I explained to him our exemption from the Classified Civil Service and the authorities in Section 10 of our Act which constituted us as an administrative agency with legal authority to set employee salaries as the Director saw fit.

2. Mr. Smart asked about former Section 9 setting three salaries for scientific positions, and I reminded him that this had been repealed in 1954. I said that our discussions with the Comptroller General on retroactive pay increases had confirmed our authority to make prospective increases as we saw fit, although denying us retroactive authority in this regard.

3. Mr. Smart said his inquiry was merely to make sure that we all understood the basis for this proposal as he saw no objection to it and, in fact, "was all for it personally". He expressed himself as satisfied on the legal aspects.

*S/*  
Lawrence R. Houston  
General Counsel

OGC/LRH:meo

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